



Registrar

National Electric Power Regulatory Authority Islamic Republic of Pakistan

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No. NEPRA/R/ADG(Trf)/TRF-122/UCH-II-2008/18970-18972

October 5, 2022

Subject: **Decision of the Authority in the matter of Reimbursement of 7.5% Withholding Tax on Dividends for Uch-II Power (Private) Ltd. (Uch-II) [Case No. NEPRA/TRF-122/UCH-II-2008]**

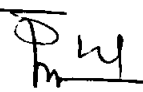
Dear Sir,

Please find enclosed herewith the decision of the Authority along with schedule (Annex-I) (02 pages) regarding reimbursement of 7.5% withholding tax on dividends for the period from September 1, 2022 to August 31, 2023 in respect of Uch-II Power (Private) Ltd. in Case No. NEPRA/TRF-122/UCH-II-2008.

2. The Decision is being intimated to the Federal Government for the purpose of notification in the official Gazette pursuant to Section 31(7) of the Regulation of Generation, Transmission and Distribution of Electric Power Act, 1997 within 30 days from the intimation of this Decision. In the event the Federal Government fails to notify the subject tariff Decision or refer the matter to the Authority for reconsideration, within the time period specified in Section 31(7), then the Authority shall notify the same in the official Gazette pursuant to Section 31(7) of NEPRA Act.

3. The Schedule attached as Annex-I is to be notified in the official Gazette.

Enclosure: As above


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(Syed Safeer Hussain)

Secretary
Ministry of Energy (Power Division)
'A' Block, Pak Secretariat
Islamabad

CC:

1. Secretary, Cabinet Division, Cabinet Secretariat, Islamabad.
2. Secretary, Ministry of Finance, 'Q' Block, Pak Secretariat, Islamabad.



DECISION OF THE AUTHORITY IN THE MATTER OF REIMBURSEMENT OF 7.5% WITHHOLDING TAX ON DIVIDENDS FOR UCH-II POWER (PRIVATE) LIMITED.

Pursuant to the decisions of the Authority dated July 3, 2017 in the matter of adjustment at Commercial Operation Date (COD) and decision of the Authority dated April 24, 2018 in the matter of Motion for Leave for Review against COD decision, withholding tax on dividend is a pass through item and the power purchaser shall make payment on account of withholding tax at the time of actual payment of dividend as hourly payment spread over a period of 12 months. In accordance with the decision referred above, the Authority approved following component for withholding tax on dividend for immediate application:

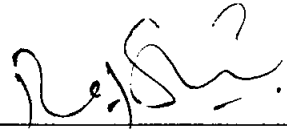
Period	7.5% Withholding tax on Dividend (Rs.KW/Hour)
September 1, 2022 to August 31, 2023	0.0475

The schedule attached as **Annex-I** is to be notified in the official gazette in accordance with the provisions of Section 31(7) of the Regulation of Generation, Transmission and Distribution of Electric Power Act 1997.

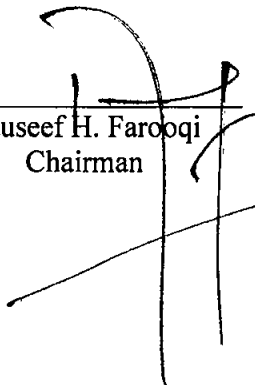
CPPA (G) to ensure that all payments are consistent with the tariff determination(s).

AUTHORITY


Engr. Maqsood Anwar Khan
Member


Engr. Rafique Ahmed Shaikh
Member




Tauseef H. Farooqi
Chairman


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UCH-II POWER (PRIVATE) LIMITED
REIMBURSEMENT OF 7.5% WITHHOLDING TAX ON DIVIDENDS

Tax Challan #	Payment Date	Dividend Amount agst. which Tax is being Withheld	Tax Amount		Tax Amount Allowed	
			Rs.	Equivalent USD*	Rs.	Equivalent USD*
IT-20220825-0101-1486490	25-Aug-22	2,114,575,809	158,593,186	724,335	158,593,186	724,335
Total		2,114,575,809	158,593,186	724,335	158,593,186	724,335

*NBP TT & OD Selling Rate of USD as on August 25, 2022 was Rs. 218.95.

Calculation of Hourly Rate:

Withholding tax on dividend	Rs.	158,593,186
Capacity	kW	380,750
Hours in a year (365 x 24)	No.	8,760
Tariff component of withholding tax on dividend (September 1, 2022 to August 31, 2023)	Rs./kW/Hour	0.0475

Carry Forward of Unclaimed Dividend Tax:

Balance brought forward from 8 th Agreement Year (April 4, 2021 to April 3, 2022)	USD	6,820,395
(NEPRA/R/ADG(Trf)/TRF-122/UCH-II-2008/2517-2519) dated February 2, 2022		

Add:

Limit for 9 th Agreement year (April 4, 2022 to April 3, 2023)	1,683,602
(15%*ROE+ROEDC)*7.5%=(15%*116,162,522+5,023,644)*7.5%	

Less:

Claimed during 9 th Agreement Year	(724,335)
Balance Carried Forward	7,779,662

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